

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

D

E-02044A  
Dixie-Escalante Rural Electric Association, Inc.  
71 E Highway 56  
Beryl, UT 84714-5197

RECEIVED

ARIZONA CORP. COMMISSION  
Director Utilities

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2006
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FOR COMMISSION USE

ANN 01	06
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PROCESSED BY:

4-11-07 RF

SCANNED

## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>Dixie Escalante REA Inc</u>			
<b>Mailing Address</b> <u>71 E Highway 56</u>			
(Street)			
<u>Beryl</u>	<u>UT</u>	<u>84714</u>	
(City)	(State)	(Zip)	
<u>435-439-5311</u>	<u>435-439-5352</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b> _____			
<b>Local Office Mailing Address</b> <u>Same</u>			
(Street)			
(City)		(State)	
(City)		(Zip)	
Local Office Telephone No. (Include Area Code)		Fax No. (Include Area Code)	
Local Office Telephone No. (Include Area Code)		Pager/Cell No. (Include Area Code)	
<b>Email Address</b> _____			

## MANAGEMENT INFORMATION

<b>Management Contact:</b> <u>R Leon Bowler</u>			
(Name)		<u>General Manager</u>	
(Title)			
<u>Same</u>			
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	
Telephone No. (Include Area Code)		Pager/Cell No. (Include Area Code)	
<b>Email Address</b> _____			
<b>On Site Manager:</b> <u>Chery Hulet</u>			
(Name)			
<u>Same</u>			
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	
Telephone No. (Include Area Code)		Pager/Cell No. (Include Area Code)	
<b>Email Address</b> <u>cheryh@dixiepower.com</u>			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

**Statutory Agent:** Dan Reber

(Name)

Littlefield Dr, PO Box 109

(Street)

Littlefield

(City)

AZ

(State)

86432

(Zip)

435-673-3297

Telephone No. (Include Area Code)

435-673-3315

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Attorney:** Michael Hughes of Hughes & Randall

(Name)

187 N 100 W

(Street)

St George

(City)

UT

(State)

84770

(Zip)

435-673-4892

Telephone No. (Include Area Code)

435-673-2774

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☒ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) \_\_\_\_\_

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☒ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

## SERVICES AUTHORIZED TO PROVIDE

Check the following box/es for the services that you are authorized to provide:

☒ **Electric**

- ☐ Investor Owned Electric
- ☒ Rural Electric Cooperative
- ☐ Utility Distribution Company
- ☐ Electric Service Provider
  - ☐ Transmission Service Provider
  - ☐ Meter Service Provider
  - ☐ Meter Reading Service Provider
  - ☐ Billing and Collection
  - ☐ Ancillary Services
  - ☐ Generation Provider
  - ☐ Aggregator/Broker

☐ **Telecommunications**

- ☐ Incumbent Local Exchange Carrier
- ☐ Interexchange Carrier
- ☐ Competitive Local Exchange Carrier
- ☐ Reseller
- ☐ Alternative Operator Service Provider

☐ **Gas**

- ☐ Natural Gas
- ☐ Propane

☐ **Other (Specify)** \_\_\_\_\_  
\_\_\_\_\_

## STATISTICAL INFORMATION

### TELECOMMUNICATION UTILITIES ONLY

Total residence local exchange access lines	_____
Total business local exchange access lines	_____
Total revenue from Arizona operations	\$ _____
Total income from Arizona operations	\$ _____
Value of assets used to serve Arizona customers	\$ _____
Accumulated depreciation associated with those assets	\$ _____

## STATISTICAL INFORMATION (CONT'D)

### ELECTRIC UTILITY PROVIDERS ONLY

T=Total System  
A=Arizona System

Total number of customers (Average)

T	12,741	A	1,897
T	11,002	A	1,620
T	1,448	A	264
T	1	A	0
T	88	A	1
T	203	A	12

Residential

Commercial

Industrial

Public street and highway lighting

Irrigation

Resale

Total kilowatt-hours sold

T 309,295,177 A 28,353,266 kWh

Residential

T 184,262,332 A 19,719,595

Commercial

T 78,567,871 A 7,260,313

Industrial

T 17,193,497 A 0

Public street and highway lighting

T 774,398 A 10,009

Irrigation

T 28,497,079 A 1,363,349

Resale

Maximum Peak Load

81.581 MW

### GAS UTILITIES ONLY

Total number of customers

Residential

Commercial

Industrial

Irrigation

Resale

Total therms sold

therms

Residential

Commercial

Industrial

Irrigation

Resale

VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only

RECEIVED

VERIFICATION

STATE OF Utah

I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)
Iron
NAME (OWNER OR OFFICIAL) TITLE
Chery Hulet, Controller
COMPANY NAME
Dixie Escalante REA Inc

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 1,854,001

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 101,037  
IN SALES TAXES BILLED, OR COLLECTED)

\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

Chery Hulet  
SIGNATURE OF OWNER OR OFFICIAL  
435-439-5311  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

22

DAY OF

COUNTY NAME	
IRON	
MONTH	2007
March	

(SEAL)



LAURIE JONES  
NOTARY PUBLIC - STATE OF UTAH  
71 EAST HIGHWAY 56  
BERYL, UTAH 84714  
MY COMMISSION EXPIRES NOVEMBER 3-10-2009

[Signature]  
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

RECEIVED

N/A

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	
NAME (OWNER OR OFFICIAL)	TITLE
COMPANY NAME	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ _____

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ \_\_\_\_\_  
IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

X \_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER \_\_\_\_\_

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

--

DAY OF

(SEAL)

MY COMMISSION EXPIRES

NOTARY PUBLIC NAME	
COUNTY NAME	
MONTH	, 20__

X \_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

## **FINANCIAL INFORMATION**

Attach to this annual report a copy of the companies' year-end (Calendar Year 2006) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**



2006

Pertinent numbers broken out for Arizona operations based on prior years' reports

	AZ	TOTAL
Balance Sheet Information		
Utility Plant in Service	\$3,209,445	\$45,539,829
Accumulated Depr	\$792,720	\$12,598,927
Net Utility Plant	\$2,416,725	\$32,940,902
Construction Work in Progress	\$299,336	\$3,132,511
Retirement Work in Progress	-\$296	\$6,699
Net Total Utility Plant	\$2,716,357	\$36,066,714

#### Taxes Accrued

Property Tax	\$9,852	\$9,852
Sales Tax	\$9,790	\$42,057
Energy Tax		\$57,290
Franchise Tax	\$34,641	\$35,293
FICA Tax		\$18,386
Federal Unemployment Tax		\$0
State Unemployment Tax		\$181

Customer Advances for Construction	\$318,977	\$3,491,274
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#### Supplementary Utility Plant Information

Intangible Plant	\$0	\$550,000
Transmission Plant	\$827,423	\$11,114,145
Distribution Plant	\$2,314,926	\$23,679,680
General Plant	\$67,096	\$10,196,004
Total Utility Plant in Service	\$3,209,445	\$45,539,829
Construction Work In Progress	\$299,336	\$3,132,511
Total Utility Plant	\$3,508,781	\$48,672,340
Accumulated Depreciation		
Transmission	\$258,118	\$1,718,998
Distribution	\$528,568	\$6,400,948
General	\$6,034	\$4,341,477
Accumulated Amortization - Franchise	\$0	\$137,504
Retirement Work in Progress	-\$296	\$6,699
Net Utility Plant	\$2,716,357	\$36,066,714

#### Statement of Net Income

Purchased Power		\$9,879,442
Depreciation & Amortization Expense	\$90,142	\$1,288,203
Property Tax Expense	\$19,703	\$241,175
Preliminary Survey Charges	\$952	\$5,613

2006

Pertinent numbers broken out for Arizona operations based on prior years' reports

	AZ	TOTAL
Operating Revenues		
Residential Sales	\$1,177,724	\$10,120,649
Commercial Sales	\$465,935	\$4,128,795
Industrial Sales	\$0	\$677,787
Public Sales	\$1,741	\$139,782
Irrigation Sales	\$87,897	\$1,390,881
Total Sales	\$1,733,297	\$16,457,894
Other Operating Revenues	\$19,667	\$147,063
Total Operating Revenues	\$1,752,964	\$16,604,957

Statistical Information (average)

Residential Customers	1,620	11,002
Commercial Customers	264	1,448
Industrial Sales	0	1
Public Lighting Customers	1	88
Irrigation Customers	12	203
Total Ultimate Customers	1,897	12,742
Residential kWh Sold	19,719,595	184,262,332
Commercial kWh Sold	7,260,313	78,616,860
Industrial kWh Sold	0	17,193,497
Public Lighting kWh Sold	10,009	774,398
Irrigation kWh Sold	1,363,349	28,497,079
Total kWh Sold	28,353,266	309,344,166

Other

Contributions in aid of Construction		
Beginning Balance	\$2,795,778	\$20,259,124
Collected this year	\$568,916	\$4,126,355
Ending Balance	\$3,364,694	\$24,385,479

<b>NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION</b>	<b>BORROWER DESIGNATION</b> UT020 <b>BORROWER NAME</b> Dixie Escalante REA Inc. <b>ENDING DATE</b> 12/31/2006
<b>FINANCIAL AND STATISTICAL REPORT</b>	
Submit one electronic copy and one signed hard copy to CFC. Round all numbers to the nearest dollar.	
<b>CERTIFICATION</b>	
We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.	
<div style="display: flex; justify-content: space-between;"> <div>             Signature of Office Manager or Accountant         </div> <div>           2/20/07            Date         </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div>             Signature of Manager         </div> <div>           2/24/07            Date         </div> </div>	<b>NEW AUTHORIZATION CHOICES</b> <b>A. NRECA uses rural electric system data for legislative, regulatory and other purposes. May we provide this report from your system to NRECA?</b> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div>NRECA <input checked="" type="radio"/> YES <input type="radio"/> NO</div> </div> <b>B. Will you authorize CFC to share your data with other co-ops on Cooperative.com's website?</b> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div>Cooperative.com <input checked="" type="radio"/> YES <input type="radio"/> NO</div> </div>

**PART A: STATEMENT OF OPERATIONS**

ITEM	YEAR-TO-DATE			
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	THIS MONTH (d)
1. Operating Revenue and Patronage Capital	14,383,958	16,604,956	15,503,070	1,308,062
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	8,601,230	9,879,442	9,613,318	751,179
4. Transmission Expense	46,141	68,663	41,597	3,878
5. Distribution Expense - Operation	552,297	727,955	570,748	48,201
6. Distribution Expense - Maintenance	536,374	700,987	649,880	58,830
7. Consumer Accounts Expense	540,293	531,214	548,856	43,784
8. Customer Service and Informational Expense	483,242	562,379	600,926	34,531
9. Sales Expense	91,495	73,278	86,990	8,752
10. Administrative and General Expense	1,393,053	1,691,942	1,391,092	206,215
11. Total Operation & Maintenance Expense (2 thru 10)	12,244,124	14,235,860	13,503,407	1,155,370
12. Depreciation & Amortization Expense	1,138,038	1,288,203	1,222,898	113,372
13. Tax Expense - Property & Gross Receipts	255,247	241,175	268,010	17,209
14. Tax Expense - Other	0	0	0	0
15. Interest on Long-Term Debt	433,819	449,436	481,163	37,015
16. Interest Charged to Construction (Credit)	0	0	0	0
17. Interest Expense - Other	6,220	6,210	7,500	578
18. Other Deductions	19,678	13,998	10,000	(301)
19. Total Cost of Electric Service (11 thru 18)	14,097,127	16,234,882	15,492,978	1,323,243
20. Patronage Capital & Operating Margins (1 minus 19)	286,831	370,074	10,092	(15,181)
21. Non Operating Margins - Interest	168,428	172,307	246,156	89,493
22. Allowance for Funds Used During Construction	0	0	0	0
23. Income (Loss) from Equity Investments	0	0	0	0
24. Non Operating Margins - Other	503,404	620,877	621,181	614,068
25. Generation & Transmission Capital Credits	0	0	0	0
26. Other Capital Credits & Patronage Dividends	29,269	51,593	30,000	0
27. Extraordinary Items	0	0	0	0
28. Patronage Capital or Margins (20 thru 27)	987,933	1,214,851	907,429	688,381

**PART B: DATA ON TRANSMISSION AND DISTRIBUTION PLANT**

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	1,460	1,055	5. Miles Transmission	86	89
2. Services Retired	0	0	6. Miles Distribution Overhead	441	443
3. Total Services In Place	12,615	13,668	7. Miles Distribution Underground	253	286
4. Idle Services (Exclude Seasonal)	62	62	8. Total Miles Energized (5+6+7)	780	819

CFC FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION UT020	
	YEAR ENDING	12/31/2006

**PART C - BALANCE SHEET**

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	45,539,829	28. Memberships	8,595
2. Construction Work in Progress	3,132,511	29. Patronage Capital	7,441,355
3. Total Utility Plant (1+2)	48,672,340	30. Operating Margins - Prior Years	0
4. Accum. Provision for Depreciation and Amort	12,605,626	31. Operating Margins - Current Year	370,074
5. Net Utility Plant (3-4)	36,066,714	32. Non-Operating Margins	5,992,094
6. Nonutility Property - Net	0	33. Other Margins & Equities	790,472
7. Investment in Subsidiary Companies	0	34. Total Margins & Equities (28 thru 33)	14,602,590
8. Invest. in Assoc. Org. - Patronage Capital	211,867	35. Long-Term Debt CFC (Net)	7,187,042
9. Invest. in Assoc. Org. - Other - General Funds	305,371	(Payments-Unapplied (\$ ))	0
10. Invest in Assoc. Org. - Other - Nongeneral Funds	0	36. Long-Term Debt - Other (Net)	0
11. Investments in Economic Development Projects	0	(Payments-Unapplied (\$ ))	0
12. Other Investments	0	37. Total Long-Term Debt (35+36)	7,187,042
13. Special Funds	3,939	38. Obligations Under Capital Leases - Non current	0
14. Total Other Property & Investments (6 thru 13)	521,177	39. Accumulated Operating Provisions - Asset Retirement Obligations	0
15. Cash-General Funds	135,687	40. Total Other Noncurrent Liabilities (38+39)	0
16. Cash-Construction Funds-Trustee	0	41. Notes Payable	0
17. Special Deposits	1,353,787	42. Accounts Payable	2,841,869
18. Temporary Investments	0	43. Consumers Deposits	160,569
19. Notes Receivable - Net	2,231,750	44. Current Maturities Long-Term Debt	353,320
20. Accounts Receivable - Net Sales of Energy	1,103,641	45. Current Maturities Long-Term Debt-Economic Development	0
21. Accounts Receivable - Net Other	1,284,825	46. Current Maturities Capital Leases	0
22. Materials & Supplies - Electric and Other	2,401,772	47. Other Current & Accrued Liabilities	784,131
23. Prepayments	25,222	48. Total Current & Accrued Liabilities (41 thru 47)	4,139,888
24. Other Current & Accrued Assets	1,963	49. Deferred Credits	19,197,018
25. Total Current & Accrued Assets (15 thru 24)	8,538,647	50. Total Liabilities & Other Credits (34+37+40+48+49)	45,126,538
26. Deferred Debits	0		
27. Total Assets & Other Debits (5+14+25+26)	45,126,538		

**ESTIMATED CONTRIBUTION IN-AID-OF-CONSTRUCTION**

Balance Beginning of Year	20,259,124
Amounts Received This Year (Net)	4,126,355
TOTAL Contributions-In-Aid-Of-Construction	24,385,479

**PART D - THE SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT**

CFC FINANCIAL AND STATISTICAL REPORT			BORROWER DESIGNATION UT020 YEAR ENDING 12/31/2006				
<p>Much of Part E has been consolidated. Enter only the total of "Distribution Plant" (that includes such items as Land and Land Rights, Structures and Improvements and Station Equipment), the total of "General Plant" (items such as Office Furniture, Transportation Equipment) the total of "Transmission Plant" (items such as Land and Land Rights, Roads and Trails), Steam, Nuclear, Hydro, Other Production Plants and "All Other Utility Plant"</p>							
<b>PART E. CHANGES IN UTILITY PLANT</b>							
	PLANT ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFER (d)	BALANCE END OF YEAR (e)	
1.	Distribution Plant Subtotal	21,347,723	2,724,199	458,327	66,085	23,679,680	
2.	General Plant Subtotal	5,909,002	877,033	90,484	0	6,695,551	
3.	Headquarters Plant	2,371,034	1,129,419	0	0	3,500,453	
4.	Intangibles	550,000	0	0	0	550,000	
5.	Transmission Plant Subtotal	9,595,778	1,758,237	239,870	0	11,114,145	
6.	Production Plant - Steam	0	0	0	0	0	
7.	Production Plant - Nuclear	0	0	0	0	0	
8.	Production Plant - Hydro	0	0	0	0	0	
9.	Production Plant - Other	0	0	0	0	0	
10.	All Other Utility Plant	0	0	0	0	0	
11.	SUBTOTAL: (1 thru 10)	39,773,537	6,488,888	788,681	66,085	45,539,829	
12.	Construction Work in Progress	4,659,071	(1,526,560)			3,132,511	
13.	TOTAL UTILITY PLANT (11 + 12)	44,432,608	4,962,328	788,681	66,085	48,672,340	
<p>CFC NO LONGER REQUIRES SECTIONS "F", "G", "N" AND "P" DATA Those sections refer to data on "Analysis of Accumulated Provision for Depreciation" (F), "Materials and Supplies" (G), "Annual Meeting and Board Data" (N), and "Conservation Data" (P).</p>							
<b>PART H. SERVICE INTERRUPTIONS</b>							
	ITEM	Avg. Hours per Consumer by Cause Power Supplier (a)	Avg. Hours per Consumer by Cause Extreme Storm (b)	Avg. Hours per Consumer by Cause Prearranged (c)	Avg. Hours per Consumer by Cause All Other (d)	TOTAL (e)	
1.	Present Year	0.00	0.00	0.01	11.44	11.45	
2.	Five-Year Average	2.18	0.90	0.00	2.72	5.80	
<b>PART I. EMPLOYEE - HOUR AND PAYROLL STATISTICS</b>							
1.	Number of Full Time Employees	55	4.	Payroll - Expensed	1,664,044		
2.	Employee - Hours Worked - Regular Time	100,359	5.	Payroll - Capitalized	867,501		
3.	Employee - Hours Worked - Overtime	7,858	6.	Payroll - Other	956,761		
<b>PART J. PATRONAGE CAPITAL</b>							
	ITEM	THIS YEAR (a)	CUMULATIVE (b)	<b>PART K. DUE FROM CONSUMERS FOR ELECTRIC SERVICE</b>			
1.	General Retirement	384,266	3,511,938	1. Amount Due Over 60 Days: 62,472			
2.	Special Retirements	0	1,815,053	2. Amount Written Off During Year: 23,769			
3.	Total Retirements (1+2)	384,266	5,326,991				
4.	Cash Received from Retirement of Patronage Capital by Suppliers of Electric Power	0					
5.	Cash Received from Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System	36,843					
6.	Total Cash Received (4+5)	36,843					
<b>L. KWH PURCHASED AND TOTAL COST</b>							
	NAME OF SUPPLIER (a)	CFC USE ONLY SUPPLIER CODE (b)	KWH PURCHASED (c)	TOTAL COST (d)	AVERAGE COST PER KWH (cents) (e)	INCLUDED IN TOTAL COST	
						FUEL COST ADJUSTMENT (f)	WHEELING & OTHER CHARGES (or Credits) (g)
1.	Deseret Generation & Transmission		329,595,791	9,878,661	3.00	0	435,800
2.			0	0	0.00	0	0
3.			0	0	0.00	0	0
4.			0	0	0.00	0	0
TOTALS			329,595,791	9,878,661	3.00	0	435,800

CFC FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION UT020				
		YEAR ENDING 12/31/2006				
<b>PART M. LONG-TERM LEASES (If additional space is needed, use separate sheet)</b>						
LIST BELOW ALL "RESTRICTED PROPERTY" ** HELD UNDER "LONG TERM" LEASE. (If none, State "NONE")						
	NAME OF LESSOR	TYPE OF PROPERTY	RENTAL THIS YEAR			
1.	NONE		\$0			
2.						
3.	TOTAL				\$0	
<p>** "RESTRICTED PROPERTY" means all properties other than automobiles, trucks, tractors, other vehicles (including without limitation aircraft and ships), office and warehouse space and office equipment (including without limitation computers). "LONG TERM" means leases having unexpired terms in excess of 3 years and covering property having an initial cost in excess of \$250,000).</p>						
<b>PART O. LONG-TERM DEBT SERVICE REQUIREMENTS</b>						
	NAME OF LENDER	BALANCE END OF YEAR	BILLED THIS YEAR			CFC USE ONLY
			INTEREST (a)	PRINCIPAL (b)	TOTAL (c)	(d)
1.	National Rural Utilities Cooperative Finance Corporation	7,877,473	440,966	332,611	773,577	
2.		0	0	0	0	
3.		0	0	0	0	
4.		0	0	0	0	
5.		0	0	0	0	
6.		0	0	0	0	
7.		0	0	0	0	
8.		0	0	0	0	
9.		0	0	0	0	
10.	TOTAL (Sum of 1 thru 9)	\$7,877,473	\$440,966	\$332,611	\$773,577	

CFC FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION UT020			
		YEAR ENDING 12/31/2006			
PART R. POWER REQUIREMENTS DATA BASE					
CLASSIFICATION	CONSUMER, SALES, AND REVENUE DATA	JANUARY CONSUMERS (a)	DECEMBER CONSUMERS (b)	AVERAGE CONSUMERS (c)	TOTAL KWH SALES AND REVENUE (d)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	10,620	11,360	10,990	
	b. KWH Sold				184,262,332
	c. Revenue				10,120,649
2. Residential Sales - Seasonal	a. No. Consumers Served	0	0	0	
	b. KWH Sold				0
	c. Revenue				0
3. Irrigation Sales	a. No. Consumers Served	200	203	202	
	b. KWH Sold				28,497,079
	c. Revenue				1,390,881
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	1,349	1,516	1,433	
	b. KWH Sold				78,616,860
	c. Revenue				4,128,795
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	1	1	1	
	b. KWH Sold				17,193,497
	c. Revenue				677,787
6. Public Street & Highway Lighting	a. No. Consumers Served	84	91	88	
	b. KWH Sold				774,398
	c. Revenue				139,782
7. Other Sales to Public Authority	a. No. Consumers Served	0	0	0	
	b. KWH Sold				0
	c. Revenue				0
8. Sales for Resales-RUS Borrowers	a. No. Consumers Served	0	0	0	
	b. KWH Sold				0
	c. Revenue				0
9. Sales for Resales-Other	a. No. Consumers Served	0	0	0	
	b. KWH Sold				0
	c. Revenue				0
10. TOTAL No. of Consumers (lines 1a thru 9a)		12,254	13,171	12,713	
11. TOTAL KWH Sold (lines 1b thru 9b)					309,344,166
12. TOTAL Revenue Received From Sales of Electric Energy (line 1c thru 9c)					16,457,894
13. Other Electric Revenue					147,062
14. KWH - Own Use					421,390
15. TOTAL KWH Purchased					329,595,791
16. TOTAL KWH Generated					0
17. Cost of Purchases and Generation					9,878,661
18. Interchange - KWH - Net					0
19. Peak - Sum All KW Input (Metered) Non-coincident _____ Coincident <u>X</u>					81,581

CFC INVESTMENTS, LOAN GUARANTEES AND LOANS - DISTRIBUTION (All investments refer to your most recent CFC Loan Agreement) Submit an electronic copy and a signed hard copy to CFC. Round all amounts to the nearest dollar.		BORROWER DESIGNATION UT020 BORROWER NAME Dixie Escalante REA Inc MONTH ENDING 12/31/2006		
7a - PART I - INVESTMENTS				
DESCRIPTION (a)	INCLUDED (\$) (b)	EXCLUDED (\$) (c)	INCOME OR LOSS (d)	
<b>2 INVESTMENTS IN ASSOCIATED ORGANIZATIONS</b>				
5 Patronage Capital - NRUCFC	0	211,867	0	
6 Capital Term Certificates - NRUCFC	0	303,111	0	
7 Memberships - NRUCFC/NRTC	0	2,260	0	
8	0	0	0	
Subtotal (Line 5 thru 8)	0	517,238	0	
<b>3 INVESTMENTS IN ECONOMIC DEVELOPMENT PROJECTS</b>				
9	0	0	0	
10	0	0	0	
11	0	0	0	
12	0	0	0	
Subtotal (Line 9 thru 12)	0	0	0	
<b>4 OTHER INVESTMENTS</b>				
13	0	0	0	
14	0	0	0	
15	0	0	0	
16	0	0	0	
Subtotal (Line 13 thru 16)	0	0	0	
<b>5 SPECIAL FUNDS</b>				
17 Deposit - AZ Workers Compensation	0	3,939	0	
18	0	0	0	
19	0	0	0	
20	0	0	0	
Subtotal (Line 17 thru 20)	0	3,939	0	
<b>6 CASH - GENERAL</b>				
21 Zions Bank - Capital Credit Fund	34,737	100,000	0	
22 Petty Cash	950	0	0	
23	0	0	0	
24	0	0	0	
Subtotal (Line 21 thru 24)	35,687	100,000	0	
<b>7</b>				
25 Zions Bank Sweep Account	810,827	100,000	0	
26 Wells Fargo Sweep Account	342,960	100,000	0	
27	0	0	0	
28	0	0	0	
Subtotal (Line 25 thru 28)	1,153,787	200,000	0	
<b>8</b>				
29	0	0	0	
30	0	0	0	
31	0	0	0	
32	0	0	0	
Subtotal (Line 29 thru 32)	0	0	0	
<b>9 ACCOUNT &amp; NOTES RECEIVABLE - NET</b>				
33 Notes Receivable - Various Commercial Accounts	2,231,750	0	0	
34 Accounts Receivable - Electric	1,103,641	0	0	
35 Accounts Receivable - Material/Labor/Other	1,284,825	0	0	
36	0	0	0	
Subtotal (Line 33 thru 36)	4,620,217	0	0	
<b>10 COMMITMENTS TO INVEST WITHIN 12 MONTHS BUT NOT ACTUALLY PURCHASED</b>				
37	0	0	0	
38	0	0	0	
39	0	0	0	
40	0	0	0	
Subtotal (Line 37 thru 40)	0	0	0	
<b>Total</b>	<b>5,809,690</b>	<b>821,177</b>	<b>0</b>	



<b>CFC</b> <b>INVESTMENTS, LOAN GUARANTEES</b> <b>AND LOANS - DISTRIBUTION</b> <small>(All investments refer to your most recent CFC Loan Agreement)</small>		<b>BORROWER DESIGNATION</b> UT020 <b>BORROWER NAME</b> Dixie Escalante REA Inc			
Submit an electronic copy and a signed hard copy to CFC. Round all amounts to the nearest dollar.		<b>MONTH ENDING</b> 12/31/2006			
<b>7a - PART II - LOAN GUARANTEES</b>					
Line No.	Organization & Guarantee Beneficiary (a)	Maturity Date of Guarantee Obligation (b)	Original Amount (\$) (c)	Performance Guarantee Exposure or Loan Balance (\$) (d)	Available Loans (Covered by Guarantees) (e)
1	NONE		0	0	0
2			0	0	0
3			0	0	0
4			0	0	0
5			0	0	0
TOTALS (Line 1 thru 5)			0	0	0
<b>7a - PART III - LOANS</b>					
Line No.	Name of Organization (a)	Maturity Date (b)	Original Amount (\$) (c)	Loan Balance (\$) (d)	Available Loans (e)
1	Littlefield School		0	45,600	0
2	Red Rock Funding		0	1,620,000	0
3	Fort Pierce Industrial Park		0	566,150	0
4			0	0	0
5			0	0	0
TOTALS (Line 1 thru 5)			0	2,231,750	0
<b>7a - PART IV - TOTAL INVESTMENTS AND LOANS GUARANTEES</b>					
1	TOTAL (Part I, Total - Column b + Part II, Totals - Column d + Column e + Part III, Totals - Column d + Column e)				8,041,440
2	LARGER OF (a) OR (b)				7,301,295
	a. 15 percent of Total Utility Plant (CFC Form 7, Part C, Line 3)			7,300,851	
	b. 50 percent of Total Equity (CFC Form 7, Part C, Line 34)			7,301,295	

# PRELIMINARY FINANCIAL & STATISTICAL RATIOS

We have added 92 new ratios to the existing 53 ratios calculated from the data entered on your Form 7. These preliminary ratios can be used to evaluate your system's performance and used as an error checking device. MDSC and DSC will be "estimated" values. Your system's prior year's "Investment in Associated Orgs – Patronage Capital" must be entered as a part of the calculation for MDSC.

ITEM DESCRIPTION	ENTER DATA	RATIO NO.	RATIO DESCRIPTION	ESTIMATED RATIO VALUE
Invest. In Assoc. Org. - Pat Cap (for 2005)	198,493	1	Average Total Consumers Served	12,713.00
Billed Debt Services (2006)	755,214	2	Total kWh Sold (1,000)	309,344.00
Total KWH Sold (for 2005)	269,161,113	3	Total Utility Plant (1,000)	48,672.34
Avg. Total Number of Consumers (for 2005)	11,469	4	Total Number of Employees (Full Time Only)	55.00
Total Utility Plant (for 2005)	39,773,537	5	Total Miles of Line	819.00
Total Margins and Equities (for 2004)	13,268,812	6	TIER (estimated)	3.70
Total Margins and Equities (for 2005)	13,751,825	7	TIER (2 of 3 year High Average)	1.85
Total Long-Term Debt (for 2004)	7,823,123	8	OTIER	1.91
Total Long-Term Debt (for 2005)	7,540,895	9	OTIER (2 of 3 year High Average)	0.95
Total Margins and Equities (for 2001)	10,258,304	10	MDSC (estimated)	3.07
Total Long-Term Debt (for 2001)	11,782,361	11	MDSC (2 of 3 year High Average)	1.53
Current Maturities Long-Term Debt - Economic Development (2005)	-	12	Debt Service Coverage - DSC (estimated)	3.91
Current Maturities Long-Term Debt (2005)	336,577	13	DSC (2 of 3 year High Average)	1.95
TIER (2004)	0.00	14	ODSC	2.84
TIER (2005)	0.00	15	ODSC (2 of 3 year high average)	1.42
TIER (2006)	3.70	16	Equity As A % of Assets	32.36
		17	Distribution Equity (excludes equity in Assoc. Org's Patronage Capital)	32.04
OTIER (2004)	0.00	18	Equity As A % of Total Capitalization	67.02
OTIER (2005)	0.00	19	Long Term Debt As A % of Total Assets	15.93
OTIER (2006)	1.91	20	Long Term Debt Per KWH Sold (Mills)	23.23
		21	Long Term Debt Per Consumer (\$)	565.35
MDSC (2004)	0.00	22	Non-Government Debt As % of Total Long-Term Debt	100.00
MDSC (2005)	0.00	23	Blended Interest Rate (%)	5.83
MDSC (2006)	3.07	24	Annual Capital Credits Retired Per Total Equity (%)	2.63
		25	Long-Term Interest As A % of Revenue	2.71
DSC (2004)	0.00	26	Cumulative Patronage Capital Retired As A % of Total Patronage Capital	26.73
DSC (2005)	0.00	27	Rate of Return on Equity (%)	8.32
DSC (2006)	3.91	28	Rate of Return on Total Capitalization (%)	7.64
		29	Current Ratio	2.06
ODSC (2004)	0.00	30	General Funds Per TUP (%)	0.91
ODSC (2005)	0.00	31	Plant Revenue Ratio (PPR) One Year	7.31
ODSC (2006)	2.84	32	Investment in Subsidiaries to Total Assets (%)	-
2% of Total Margins & Equity	292,052	33	Total Operating Revenue Per KWH Sold (Mills)	53.68
Total Long-Term Leases	-	34	Total Operating Revenue Per TUP Investment (Cents)	34.12
1/3 of the Lease portion	(97,351)	35	Total Operating Revenue Per Consumer (\$)	1,306.19
Pat Cap (Cash) portion	38,219	36	Electric Revenue Per KWH Sold (Mills)	53.20
		37	Electric Revenue Per Consumer (\$)	1,294.62
		38	Residential Revenue Per KWH Sold (Mills)	54.93
		39	Non-Residential Revenue Per KWH Sold (Mills)	50.66
		40	Seasonal Revenue Per KWH Sold (Mills)	#DIV/0!

# PRELIMINARY FINANCIAL & STATISTICAL RATIOS

We have added 92 new ratios to the existing 53 ratios calculated from the data entered on your Form 7. These preliminary ratios can be used to evaluate your system's performance and used as an error checking device. MDSC and DSC will be "estimated" values. Your system's prior year's "Investment in Associated Orgs -- Patronage Capital" must be entered as a part of the calculation for MDSC.

RATIO NO.	RATIO DESCRIPTION	ESTIMATED RATIO VALUE	RATIO NO.	RATIO DESCRIPTION	ESTIMATED RATIO VALUE
41	Irrigation Revenue Per KWH Sold (Mills)	48.81	81	Consumer Accounting Expenses per Consumer (\$)	41.79
42	Small Commercial Revenue Per KWH Sold (Mills)	52.52	82	Customer Sales and Service Per Total KWH Sold (Mills)	2.05
43	Large Commercial Revenue Per KWH Sold (Mills)	39.42	83	Consumer Sales and Service Per Consumer (\$)	50.00
44	Sale for Resale Revenue Per KWH Sold (Mills)	#DIV/0!	84	A & G Expenses Per Total KWH Sold (Mills)	5.47
45	Street & Highway Lighting Revenue Per KWH Sold (Mills)	180.50	85	A & G Expenses Per Consumer (\$)	133.09
46	Other Sales to Public Authorities Revenue Per KWH Sold (Mills)	#DIV/0!	86	Total Controllable Expenses Per Total KWH Sold (Mills)	13.86
47	Operating Margins Per KWH Sold (Mills)	1.20	87	Total Controllable Expenses Per Consumer (\$)	337.29
48	Operating Margins Per Consumer \$	29.11	88	Power Cost Per KWH Purchased (Mills)	30.18
49	Non-Operating Margins Per KWH Sold (Mills)	2.56	89	Power Cost Per Total KWH Sold (Mills)	32.16
50	Non-Operating Margins Per Consumer \$	62.39	90	Power Cost As A % of Revenue	59.91
51	Total Margins Less Allocations Per KWH Sold (Mills)	3.76	91	Long-Term Interest Cost Per Total KWH Sold (Mills)	1.45
52	Total Margins Less Allocations Per Consumer \$	91.51	92	Long-Term Interest Cost As A % of TUP	0.92
53	Income (Loss) from Equity Investments Per Consumer \$	-	93	Long-Term Interest Cost Per Consumer (\$)	35.35
54	Associated Organization's Capital Credits Per KWH Sold (Mills)	0.17	94	Depreciation Expense Per Total KWH Sold (Mills)	4.16
55	Associated Organization's Capital Credits Per Consumer (\$)	4.06	95	Depreciation Expense As A % of TUP	2.65
56	Total Margins Per KWH Sold (Mills)	3.93	96	Depreciation Expense Per Consumer (\$)	101.33
57	Total Margins Per Consumer \$	95.56	97	Accumulative Depreciation As A % of Plant in Service	27.68
58	A/R Over 60 Days As A % of Operating Revenue	0.38	98	Total Tax Expense Per Total KWH Sold (Mills)	0.78
59	Amount Write-Off As A % of Operating Revenue	0.14	99	Total Tax Expense As A % of TUP	0.50
60	Total MWH Sold Per Mile of Line	377.83	100	Total Tax Expense Per Consumer	18.97
61	Average Residential KWH Usage Per Month	1,397.20	101	Total Fixed Expenses Per Total KWH Sold (Mills)	38.62
62	Average Seasonal KWH Usage Per Month	#DIV/0!	102	Total Fixed Expenses Per Consumer (\$)	939.79
63	Average Irrigation KWH Usage Per Month	11,785.39	103	Total Operating Expenses Per Total KWH Sold (Mills)	13.86
64	Average Small Commercial KWH Usage Per Month	4,573.41	104	Total Operating Expenses Per Consumer (\$)	337.29
65	Average Large Commercial KWH Usage Per Month	1,432,791.42	105	Total Cost of Service (Minus Power Costs) Per Total KWH Sold (Mills)	20.32
66	Average Street & Highway Lighting KWH Usage Per Month	737.52	106	Total Cost of Electric Service Per Total KWH Sold (Mills)	52.48
67	Average Sales for Resale KWH Usage Per Month	#DIV/0!	107	Total Cost of Electric Service Per Consumer (\$)	1,277.08
68	Average Sales to Public Authorities KWH Usage Per Month	#DIV/0!	108	Average Wage Rate Per Hour (\$)	32.23
69	Residential KWH Sold Per Total KWH Sold (%)	59.57	109	Total Wages Per Total KWH Sold (Mills)	11.28
70	Seasonal KWH Sold Per Total KWH Sold (%)	-	110	Total Wages Per Consumer (\$)	274.40
71	Irrigation KWH Sold Per Total KWH Sold (%)	9.21	111	Overtime Hours/Total Hours (%)	7.26
72	Small Commercial KWH Sold Per Total KWH Sold (%)	25.41	112	Capitalized Payroll/Total Payroll (%)	24.87
73	Large Commercial KWH Sold Per Total KWH Sold (%)	5.56	113	Average Consumers Per Employee	231.14
74	Street & Highway Lighting KWH Sold Per Total KWH Sold (%)	0.25	114	Annual Growth in KWH Sold (%)	14.93
75	Sales for Resale KWH Sold Per Total KWH Sold (%)	-	115	Annual Growth in Number of Consumers (%)	10.84
76	Sales to Public Authorities KWH Sold Per Total KWH Sold (%)	-	116	Annual Growth in TUP Dollars (%)	22.37
77	O & M Expenses Per Total KWH Sold (Mills)	4.62	117	Const. W.I.P. to Plant Additions (%)	48.28
78	O & M Expenses Per Dollars of TUP (Mills)	29.36	118	Net New Services to Total Services (%)	7.72
79	O & M Expenses Per Consumer (\$)	112.40	119	Annual Growth in Total Capitalization (%)	2.33
80	Consumer Accounting Expenses Per Total KWH Sold (Mills)	1.72	120	2 Yr. Compound Growth in Total Capitalization (%)	1.64

# PRELIMINARY FINANCIAL & STATISTICAL RATIOS

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RATIO NO.	RATIO DESCRIPTION	ESTIMATED RATIO VALUE
121	5 Yr. Compound Growth in Total Capitalization (%)	(0.23)
122	TUP Investment Per Total KWH Sold (Cents)	15.73
123	TUP Investment Per Consumer (\$)	3,828.70
124	TUP Investment Per Mile of Line (\$)	59,447.86
125	Average Consumers Per Mile	15.53
126	Distribution Plant Per Total KWH Sold (Mills)	76.55
127	Distribution Plant Per Consumer (\$)	1,862.71
128	Distribution Plant Per Employee (\$)	430,539.64
129	General Plant Per Total KWH Sold (Mills)	21.64
130	General Plant Per Consumer (\$)	526.69
131	General Plant Per Employee (\$)	121,737.29
132	Headquarters Plant Per Total KWH Sold (Mills)	11.32
133	Headquarters Plant Per Consumer (\$)	275.36
134	Headquarters Plant Per Employee (\$)	63,644.60
135	Transmission Plant Per Total KWH Sold (Mills)	35.93
136	Transmission Plant Per Consumer (\$)	874.27
137	Transmission Plant Per Employee (\$)	202,075.36
138	Idle Services to Total Service (%)	0.45
139	Line Loss (%)	6.02
140	System Avg. Interruption Duration Index (SAIDI) - Power Supplier	-
141	System Avg. Interruption Duration Index (SAIDI) - Extreme Storm	0.00
142	System Avg. Interruption Duration Index (SAIDI) - Prearranged	0.01
143	System Avg. Interruption Duration Index (SAIDI) - All Other	11.44
144	System Avg. Interruption Duration Index (SAIDI) - Total	11.45
145	Avg. Service Availability Index (ASAI) - Total (%)	99.87